Loan facilities to SSI

573. PROF. M.M. AGARWAL: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether Government propose to chalkout any scheme to provide loan facilities to Small Scale Industries in order to improve their economic conditions; and

(b) if so, the details thereof and to what extent it would benefit the Small Scale Industries in the country?

THE MINISTER OF STATE IN THE MINISTRY OF SMALL SCALE INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) and (b) As part of the comprehensive policy package for Small Scale Industries announced by Govt. of India, various measures have been taken for improving the flow of credit to SSI Sector. These include raising composite loans limit from Rs. 10 lakhs to Rs. 25 lakhs, enhancing aggregate turnover limit from Rs. 4 crores to Rs. 5 crores for the purpose of calculation of working capital, formulation of Credit Guarantee Scheme, raising project cost limit from 25 lakhs to Rs. 50 lakhs under National Equity Fund Scheme, etc. Also as per RBI norms, no collateral security is required on loans upto Rs. 5 lakhs for SSI units. These measures are intended to enhance the competitiveness of the SSI sector, both domestically and globally.

Separate laws for SSI

574. SHRI SANTOSH BAGRODIA: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) what steps have been taken to reduce the Inspector Raj and help to promote single point inspection of Small Scale Industries; and

(b) whether Government propose to make separate self-contained laws for these industries to facilitate long term policy measures for healthy growth of the Small Scale Industries?

THE MINISTER OF STATE IN THE MINISTRY OF SMALL SCALE INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) Government have already introduced a system of inspection based on selection of units from defaulters list in the Employees Provident Fund Organisation (EPFO) and Employees State Insurance Corporation (ESIC). In addition, Government have recommended to all the State Governments that they consider putting in place